

USPS/NNA-T1-7. Please refer to your testimony on page 2, lines 19 through 22. You state, “[W]hen Congress charged the Postal Service with ‘binding the nation together,’ newspapers were an integral part of that mission. They remain so today and must be served, despite the Service’s financial troubles.” Please define and describe the term “served” as used in your testimony and please identify which newspapers will not be “served” upon implementation of the RAOI. For each newspaper identified, please include the location (city, state, and ZIP Code) of the newspaper.

USPS/NNA-T1-8. Please refer to your testimony on page 2, line 28, and page 3, lines 1 through 2. You state, “[I]n its choices for downsizing its distribution network, USPS must choose its moves strategically and wisely. The size of a post office is not necessarily the best indicator of its importance.” Please define the term “importance” and/or describe the factors that contribute to the “importance” of a Post Office. Please also provide any documents in which the Postal Service and/or representatives of the Postal Service have claimed that the size of a Post Office is the best indicator of its importance.

USPS/NNA-T1-9. Please refer to your testimony on page 3, lines 2 through 4. You state, “[I]t is not sufficient for USPS to simply decide that its rural service mandate is no longer achievable because of chronic cost overruns in its networks.”

- (A) Please define and describe the “rural service mandate” referenced in your testimony. In your answer to this part, please identify all sources (statutes, regulations, policies, etc.) that support your definition and description. To the extent that your answer differs from your answer to USPS/NNA-T1-2, please explain how it differs.
- (B) Please define and describe the “chronic cost overruns” that you reference in your testimony. If your answer to this part includes chronic cost overruns identified by the Postal Service in this docket, please provide citations to the portions of Postal Service filings in this docket that discuss such overruns.
- (C) Please identify and provide all documents that support your claim that the Postal Service has “simply decided[ed]” that its “rural service mandate” as you have defined it and described it in response to part (A) cannot be achieved due to costs overruns identified in your answer to part (B).

USPS/NNA-T1-10. Please refer to your testimony on page 3, lines 11 through 13. You state, “NNA’s appearances before the Commission have often had at their core mission to highlight the continuing importance of community newspapers to small town and rural America. Although our membership also

comprises many urban and suburban newspapers, it is the smaller communities that are most often in the line of fire for Washington policies.”

- (A) In your testimony, you distinguish “smaller communities” from “urban and suburban” areas. Please define and describe the term “smaller communities” and explain in what specific respects such communities differ from “urban and suburban” areas.
- (B) Please define and describe the term “Washington policies” and please identify the specific policies to which you refer in this portion of your testimony. In your answer to this part, please explain whether and how such policies differ from the policies of the United States Postal Service.

USPS/NNA-T1-11. Please refer to your testimony on page 7, lines 3 through 5. You state, “USPS has the power to protect its newspaper mail by requiring the replacement service provider to provide the exceptional dispatch drop.” Please also refer to the following excerpt from the transcript of the hearing on September 8, 2011, which contains the oral testimony of USPS Witness James J. Boldt (Tr. 1/470, lines 5 through 18) in response to a question posed by Ms. Tonda Rush (NNA).

Q If one of the exceptional dispatch offices on the endangered species list were to be chosen for a discontinuance, how would the newspapers’ mailing practices [h]ave to change?

A The associate office that would be the administrative office that will be delivering to that location, either in those cluster boxes or the P.O. [B]ox there will be the office that will take that out and originate that out to that P.O. Box.

Now, actually, in that example that you used, it actually saves you cost because you’ll actually get to stop at less facilities, and it will reduce your transportation, and it will also give us the product perhaps even a little bit earlier.

- (A) In preparing your testimony, did you consider the portion of the testimony of Jim Boldt excerpted above. If your answer is affirmative, please provide citations to the portions of your testimony that address or discuss this portion of Witness Boldt’s testimony.
- (B) Assume for this part that currently, a newspaper must stop at two exceptional dispatch offices to receive exceptional dispatch service for a given service area (or for specific cluster boxes or P.O. Boxes). Please also assume that under the RAOI, one of these offices is discontinued, and the other office becomes the administrative office for deliveries serviced by the discontinued office. Assuming that the remaining administrative office continues to provide exceptional

dispatch to that newspaper for its service area (or cluster boxes or P.O. Boxes), do you agree that the newspaper's transportation costs could be *reduced* because the newspaper will only have to tender mail at one office as opposed to two offices? If your answer is negative, please explain how you reached your conclusion.

USPS/NNA-T1-12. Please refer to your testimony on page 8, lines 4 through 7. You state, "It is surprising to me, as a prior witness in PRC cases where questions about counting within-county revenues and volumes have been pervasive, to learn from the Postal Service's written testimony that commercial mailer revenues are not being examined in the discontinuation analysis." Please provide the citation or citations to the Postal Service's written testimony that you reference in your testimony and please explain how such testimony supports your statement.

USPS/NNA-T1-13. Please refer to your testimony on page 8, lines 11 through 14. You state, "It is not unusual for a local newspaper to use a post office as its entry location. In fact, although some newspapers in our membership enter their mail in formally constituted Business Mail Acceptance Units, by far the greater practice is to enter mail and pay for it at the local post office." Please identify the newspapers that enter their mail at Business Mail Entry Units and the newspapers that enter their mail at a local post office.

USPS/NNA-T1-14. Please refer to your testimony on page 10, lines 26 through 27, and page 11, lines 1 through 2. You state, "The Commission should recommend that the Postal Service immediately issue a legal opinion that newspapers' within-county rate eligibility will in no case be denied because of the Postal Service's decision to close all post offices within a county." Please identify each county in which the Postal Service has issued a final determination to close all Post Offices within the county. Additionally, please identify the counties that will have no Post Offices if the Post Offices identified for closure in this docket are closed.

USPS/NNA-T1-15. Please refer to your testimony on page 11, lines 5 through 9. You state, "NNA member newspapers are long accustomed to taking on new costs and inconveniences as the mailing network changes. These costs are real, and they put the newspapers at an economic disadvantage. But to help the Postal Service overcome the financial challenges that gave rise to this docket, NNA is ready to assist our industry in finding workable solutions, provided timely delivery can still be provided."

- (A) Please describe the costs and inconveniences that newspapers have absorbed due to past changes in the Postal Service network.
- (B) Please explain how the newspapers that have absorbed the costs and inconveniences identified in response to part (A) have been

disadvantaged vis-à-vis other persons or entities. In your answer, please explain which persons or entities gain a comparative advantage over newspapers as a result of the costs and inconveniences identified in response to part (A).

- (C) Please define and describe the “financial challenges” that you reference in your testimony. If your answer to this part includes financial challenges identified by the Postal Service in this docket, please provide citations to the portions of Postal Service filings in this docket that discuss each challenge.
- (D) Please also refer to your testimony on page 12, lines 3 through 10. Is NNA opposed to the closure of all Post Offices where NNA members enter their mail? If the answer is negative, under what conditions would NNA not oppose the closure of a Post Office where an NNA member enters its mail?
- (E) Please define and describe the phrase “timely delivery” as you understand it. If your definition and description relies on a statute, a regulation, and/or a postal policy, please provide a citation to the statute, regulation, and/or policy.